

ANNOUNCEMENT

Introduction of mandatory employer pension contributions (MEPC) and the details for their transfer

The UAPF reminds that from 01.01.2024, the current funded system will be supplemented with a new conditional funded component - mandatory employer pension contributions (MEPC).

MEPC will be transferred from the agent's own funds and funds of individuals engaged in other paid activities (elected, appointed, or approved) only for employees born after January 1, 1975. The amount of the MERC is determined based on the monthly income of the employee considered for the calculation of MERC:

- from January 1, 2024 – in the amount of 1.5 percent;
- from January 1, 2025 – in the amount of 2.5 percent;
- from January 1, 2026 – in the amount of 3.5 percent;
- from January 1, 2027 – in the amount of 4.5 percent;
- from January 1, 2028 – in the amount of 5 percent.

At the same time, the monthly income of an employee, taken into account for calculating MERC, must be no less than the MRW (*Minimum Wage Rate established for the respective financial year by the law on the republican budget*) and must not exceed 50 times MRW established for the corresponding financial year by the law on the republican budget.

For tax agents choosing to pay MERC as part of a unified payment, as specified in Article 251 of the Social Code, the share of MERC in the unified payment rate on wages is as follows:

- from January 1, 2024 – 7.0 percent;
- from January 1, 2025 – 10.5 percent;
- from January 1, 2026 – 14.1 percent;
- from January 1, 2027 – 17.4 percent;
- from January 1, 2028 – 19.0 percent.

Below are the details for the transfer of MERC:

The transfer of mandatory pension contributions from the employer (MERC) is carried out by the agent through non-cash payments.

Individual entrepreneurs and self-employed individuals who do not have accounts in banks and organizations conducting specific types of banking operations (hereinafter referred to as banks) contribute MERC in cash to the UAPF in a bank for subsequent transfer to the UAPF. Withheld (accrued) MERC is transferred to the State Corporation using the following details:

Name	Requisites
Beneficiary	NJSC “State Corporation “Government for Citizens”
Beneficiary's Bank	NJSC “State Corporation “Government for Citizens”
Beneficiary's BIC	GCVPKZ2A
Beneficiary's IIC	KZ12009NPS0413609816
Beneficiary's BIN	160440007161

Payment destination codes.:

PDC	Name of the payment destination code
PDC 089	mandatory pension contributions from the employer
PDC 098	penalty for late transfer of mandatory pension contributions from the employer

The Unified Accumulative Pension Fund (UAPF) was established on August 22, 2013, based on the Joint-Stock Company "NPF GNPF." The founder and shareholder of ENPF is the Government of the Republic of Kazakhstan, represented by the State Property and Privatization

Committee of the Ministry of Finance of the Republic of Kazakhstan. The trust management of pension assets of UAPF is carried out by the National Bank of the Republic of Kazakhstan. Since January 1, 2016, the functions of developing proposals to improve the efficiency of pension asset management have been transferred to the Council for the Management of the National Fund. In accordance with pension legislation, UAPF attracts mandatory pension contributions, mandatory professional pension contributions, voluntary pension contributions, manages pension payments, individual accounting of pension savings and payments, and provides depositors (recipients) with information about the state of their pension savings (for more information, visit www.enpf.kz).